Kansas FSA Today

January 2012

An Online Monthly Newsletter Covering the Hottest Topics in Federal Farm Programs

FSA county offices are taking appointments for producers to signup and report acres. Contact your local FSA office as soon as possible to make an appointment.

DCP AND ACRE SIGNUP

Enrollment for the 2012 Direct and Counter-cyclical Program (DCP) began January 23, 2012 and will continue through June 1, 2012. USDA computes DCP payments using 85 percent of the base acres times the payment yield established for each farm. Eligible producers receive direct payments at rates established by statute regardless of market prices. For 2012, advance payments are not authorized.

Producers also have the option to enroll in the Average Crop Revenue Election (ACRE) Program. The optional ACRE program provides a safety net based on state revenue losses and acts in place of the price-based safety net of counter-cyclical payments under DCP. A farm's payment is based on a revenue guarantee calculated using a 5-year average state yield and the most recent 2-year national price for each eligible commodity.

HISPANIC AND WOMEN FARMERS

A process to resolve the claims of Hispanic and women farmers and ranchers who believe they were discriminated against when seeking USDA farm loans has been established. If you believe that the United States Department of Agriculture (USDA) improperly denied farm loan benefits to you between 1981 and 2000 because you are Hispanic, or because you are female, you may be eligible to apply for compensation. For additional information on the Hispanic and Women Farmer Claims Process, please visit: www.farmerclaims.gov or call 888-508-4429.

SURE SIGNUP FOR 2010 LOSSES

Signup for the Supplemental Revenue Assistance Payments (SURE) Program for 2010 crop losses began **November 14, 2011** and ends **June 1, 2012.** SURE is available to eligible producers on:

•farms in counties with Secretarial disaster declarations, including contiguous counties, that have incurred at least a 10 percent crop production or quality loss, or both, on all crops grown by a producer nationwide, **except grazed crops**

•farms in which, for the crop year, the actual production on the farm because of disasterrelated conditions is 50 percent or less than normal production of the farm.

ACREAGE REPORTING DATES

<u>May 31, 2012</u> – Deadline to Report Fall Seeded Crops

<u>July 15, 2012</u> – Deadline to Report **Spring Seeded Crops**

<u>December 15, 2012</u> – Deadline to Report 2013 Fall Seeded Crops (planted in fall 2012)

Contact your local FSA county office as soon as possible to make an appointment to report your fall seeded acreage. Producers are reminded to also report acreages to their crop insurance agent. We encourage producers to report this year's acreages early to get used to the trend of the earlier reporting dates for next year's crops.

NONINSURED CROP DISASTER ASSISTANCE PROGRAM (NAP)

The Noninsured Crop Disaster Assistance Program (NAP) helps producers reduce their risk when growing food and fiber crops, specialty crops and crops for livestock feed. NAP losses must be reported within 15 days of a disaster event or the date the loss becomes apparent.

March 15 is the final date to obtain NAP coverage for coarse grains, vegetable and melon crops, Cotton, Pecans, Pumpkins, Safflower, Sesame, Squash, and Walnuts.

FARM STORAGE FACILITY LOAN

The Farm Storage Facility Loan (FSFL) program allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities. The maximum principal amount of a loan through FSFL is \$500,000. Participants are required to provide a minimum down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. Loan terms of 7, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department. The loan disbursement will be made when all construction is completed. Applications for FSFL must be submitted to FSA prior to an site preparation or construction can begin. Loans are available for grain, hay and silage storage, biomass storage, and cold storage for fruits and vegetables.

EMERGENCY LOANS

FSA is making emergency loans available to help qualified producers recover from production and physical losses due to natural disasters. Eligible loan funds may be used to restore or replace essential property and pay production costs associated with the disaster year. Applicants can borrow up to 100 percent of actual production or physical losses not to exceed \$500,000. The current rate for these low interest loans is 3.75 percent. Producers must meet eligibility requirements and not be able to obtain credit from a commercial lender. FSA will consider each loan application on its own merits, taking into account the extent of losses, security available and repayment ability. Contact your local FSA office for disaster designations.

2011 ELAP AND LIP SIGN-UP

The USDA Farm Service Agency's Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish Program (ELAP) and the Livestock Indemnity Program (LIP) have deadlines approaching. An application for payment for LIP and ELAP must be filed no later than January 30, 2012.

Both ELAP and LIP sign-ups required a Notice of Loss for livestock death losses to be filed by December 29, 2011.

ELAP livestock grazing & feed losses, honey bee, and farm raised fish losses require a Notice of Loss be filed the earlier of:

- 30 calendar days of when the loss is apparent to the participant.
- January 30, 2012.

LIVESTOCK FORAGE DISASTER PROGRAM

The Livestock Forage Disaster Program (LFP) provides compensation to eligible livestock producers who suffer grazing losses due to qualifying drought or fire. Fire losses apply only to federally managed rangeland. Applications must be filed **no later than 30 calendar days after the end of the calendar year** in which the grazing losses occurred. Losses must occur in calendar year the application is being filed. Eligible producers **must** have obtained a policy or plan of insurance under crop insurance or NAP coverage by the applicable state sales closing date.

Dates To Remember

- ✓ Make an appointment at FSA office to signup and report acres.
- ✓SURE signup for 2010 losses ends June.
- ✓NAP Deadline to purchase coverage for certain crops is March 15 for spring seeded crops.
- ✓ Report your fall-seed crop acreage as soon as possible.
- ✓ Wool loan and LDP deadline for 2011 commodities is Jan 31.
- ✓2012 DCP and ACRE signup ends June 1, 2012.
- ✓ Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish Program (ELAP), Livestock Forage Disaster Program (LFP), and the Livestock Indemnity Program (LIP) Livestock applications must be filed by Jan 30, 2012.
- ✓On-Going Direct and Guaranteed Farm Operating and Farm Ownership loans; Farm Storage Facility Loans; Continuous CRP.

NEW AGI FORM FOR 2012

On September 28, 2011, FSA started using CCC-931 "Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information" for all 2009, 2010, 2011 and 2012 programs that are subject to AGI compliance. FSA will no longer accept CCC-926, CCC-927, or CCC-928 for any program. The new form is a combination of the Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information forms previously used by FSA. Form CCC-931 is available at your FSA office online: local or http://forms.sc.egov.usda.gov (click on "Browse Forms" in Left menu, input "931" in the "Form Number" section.) Producers can print and mail the form to their local FSA office. FSA employees will review the form for accuracy before forwarding it to the IRS. If CCC-931 is incomplete, the producer will be notified.

GUARANTEED LOANS

FSA offers guaranteed loans up to \$1,214,000. Guaranteed loans are made and serviced by a bank or Farm Credit system. Rates and terms are set by the lender. Loan guarantees are provided upwards of 95% of the credit extended, depending on the type of credit requested. There is a guaranteed loan fee charged of 1.5% of the guaranteed portion. Certain programs have this fee waived, ie: beginning farmer downpayment loans to purchase real estate. Farmers interested in guaranteed loans should apply directly with a conventional lender, who then arranges for the guarantee with FSA; however, local FSA staff can also assist the farmer or rancher in determining which loan (direct or guaranteed) will best fit the operation.

MARKETING ASSISTANCE LOANS

A Marketing Assistance Loan (MAL) is available to producers who share in the risk of producing a crop. To be eligible, a producer must maintain continual beneficial interest in the crop from harvest through the earlier of the date the loan is repaid or CCC takes title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan. For commodities to be eligible they must have been produced by an eligible producer, be in existence and in a storable condition and be merchantable for food. feed or other uses as determined by CCC. The quality of the commodity in farm storage must be maintained throughout the term of the loan. January 31 is the final date to obtain loans and LDPs on 2011 wool, unshorn pelts and peanuts. March 31 is the final date to obtain loans for 2011 wheat, oats, barley and honey.

LOANS FOR THE SOCIALLY DISADVANTAGED

FSA has loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improvement of farms or ranches. While all qualified producers are eligible to apply for these loan programs, the FSA has provided targeted funding for members of Socially Disadvantaged groups. A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as a member of a group. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

BEGINNING FARMER & RANCHERS

FSA assists beginning farmers and ranchers to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more that 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in any loan assessment and borrower training program in production and/or financial management required by the Agency.
- Does not own farm acreage greater than 30% of the median size farm in the county.

LAND CONTRACT (LC) GUARANTEE PROGRAM

The Land Contract (LC) Guarantee Program provides a valuable tool to transfer farm real estate to the next generation of farmers. Guarantees will be offered to the owner of a farm who wishes to sell real estate through a land contract to a beginning farmer or a farmer who is a member of a socially disadvantaged group. The buyer must provide a minimum down payment of five percent of the purchase price, plan to operate the farm, and be able to project the ability to make the land contract payments.



NEWSLETTERS NO LONGER MAILED TO PRODUCERS

FSA no longer has funding to mail newsletters. Producers are encouraged to provide their email address to the local FSA office to receive newsletters and other reminders by email. We encourage operators that receive FSA e-news to keep their landowners informed of program signups. Copies of newsletters can be obtained at local FSA offices.

BURNING POLICY CHANGE ON CRP PRACTICE CP25

The FSA State Committee has made the following burn policy changes for CRP practice CP25, Rare and Declining Habitat. Modifications to the Conservation Plan of Operations (CPO) may be required.

- •Eliminate the CP25 maintenance burn requirement statewide but encourage burning in the Tall Grass Prairie Region, or other regions where prescribed burning achieves the desired results, to complete a managed prescribed burn with cost-share assistance.
- •Maintenance burns completed prior to Oct. 26, 2011, are considered to retroactively meet the management practice requirement, however, no additional cost-share will be paid.

WOMEN MANAGING THE FARM CONFERENCE – REGISTER NOW!

Women involved in agriculture are encouraged to attend the Women Managing the Farm Conference at the Hyatt Regency in Wichita, KS, on Feb. 10-11, 2012. Registration fee is \$145 if paid by Jan. 27, 2012.

Conference includes workshops, networking, and keynote speakers. For registration, hotel, and conference details access www.womenmanagingthefarm.info or call 320-224-0154.

2012 JANUARY AND FEBRUARY PRESCRIBED BURN WORKSHOPS

Producers considering burning grassland in Kansas are encourage to attend one of these workshops:

Date	Counties	Town	Phone Number for Reservations
Jan. 10	Pawnee Co.	Larned	620-285-6901
Jan. 18	Mitchell Co.	Beloit	785-738-5172 ext. 109
Jan. 24	Morris Co.	Council Grove	620-767-5136
Jan. 31	Wabaunsee/Osage/		
	Lyon/Shawnee Cos.	Eskridge	785-765-3821
Feb. 2	Elk Co.	Howard	620-374-2174
Feb. 8	Scott Co.	Scott City	620-872-2930
Feb. 9	Stafford Co.	St. John	620-549-3502
Feb. 15	Sedgwick Co.	Wichita	316-660-0100 ext. 0153
Feb. 16	Cloud/Clay Co.	Miltonvale	785.325.2121
Feb. 23	Shawnee Co.	Silver Lake	785-582-4667
Feb. 27	Logan/Gove Co.	Grainfield	785-671-3245
Feb. 29	Russell Co.	Russell	785-483-3157
Demonstration			
Feb. 25	Shawnee Co.	Silver Lake	785-582-5667

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USDA Kansas Farm Service Agency, State Office, 3600 Anderson Avenue, Manhattan, KS 66503

www.fsa.usda.gov/ks ~ PH 785-539-3531 ~ trish.halstead@ks.usda.gov